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FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, TAIPEI

TO : THE DEPARTMENT OF STATE, WASHINGTON

REF

NOV 22 1954

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SUBJECT: Present Status and Prospects of Vice President CHEN Chengkai

SUMMARY

As roughly half a year has passed since General CHEN Cheng gave up the Premiership and assumed the Vice Presidency of the Republic of China a tentative appraisal of his present position and likely prospects seems in order. That Chen was a forceful, energetic and honest Premier and that he is one of Free China's outstanding and comparatively youthful leaders make his present and future of considerable interest.

Because of Chen's great activity as Premier and because the Vice President has no function other than to succeed the President there was much speculation and prediction six months ago that President CHIANG Kai-shek would give him some great, new responsibilities. So far the President has not done so. Chen's principal importance in the Chinese Government now is to serve as an informal adviser to President Chiang. He, of course, is occupied with a number of other activities: receiving calls from a host of Chinese officials and from not a few itinerant American dignitaries, giving press interviews and making speeches, attending Kuomintang meetings and since November 1, 1954, serving as Chairman of the Mainland Recovery Planning and Research Committee. None of these occupations however keep him nearly as busy as during his premiership and none of them are really significant.

* * * * *

The Reporting Officer (RO) from time to time has discussed the Premier's activities with Mr. [REDACTED] who for approximately 20 years has been closely associated with Chen in an important and confidential capacity. [REDACTED]

Kuo continues, of course, in his personal relationship with Chen and also as Deputy Chief of the First Section (Organization and Activities).

a summary of [redacted] s comments to the RO on November 1, 1964. There follows [redacted] regarding Chen.

RWR:inden/jlw
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(It may be noted that [redacted]'s most recent observations are consistent with his earlier ones and correspond with those of other persons who are well informed about Chen.)

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When Chen was Premier he had not infrequent arguments with President Chiang over the administration of the Executive Yuan's program. As Premier -- as constitutional head of the executive branch of the Chinese Government -- Chen felt under moral and legal obligation to speak up and to seek to implement the policies and program of his administration. President Chiang did not like to have Chen argue with him so much. Now Chen has no responsibility such as he had when Premier and he avoids arguing with the President. ("We have advised him against arguing with the President", [redacted] remarked.) When the President asks for his counsel, Chen gives it candidly and willingly. Moreover, he is on such terms of trust and intimacy with the President, that he feels able to proffer his advice when he feels it necessary that he should speak. The President does not care to have too much advice, however, and those who are too ready with unsolicited helpfulness find themselves increasingly less called upon.

Presidential Office Secretary-General CHANG Chun is a close and trusted confidant of the President but he is reluctant to offer his opinions to the former. He will give them on request, however, Premier O. K. YUI does not dispute with the President nor does he seek to advise him. Yui is temperamentally disinclined to argument with the President or to playing a strong role. Vice Premier HUANG Shao-ku is occasionally an adviser to the President -- as much so as the Premier -- but he too is not disposed toward taking an independent line. He is particularly well-fitted to serving as a secretary-general or as a No. 2 man in an organization. He is intelligent and clever in planning but does not like to take the ultimate responsibility or to fight for the policies he has recommended. General CHIANG Ching-kuo is forceful with his subordinates but he does not argue with his father. Those who have not found themselves in perfect agreement with the President and have sought to change his mind have found it hard to strike the happy medium. Dr. WANG Shih-chieh is the most notable recent example.

Chen is no longer active in Kuomintang politics as he was when Premier. In the premiership he had to take a forceful part in Kuomintang activities in order to get his program through and in order to get backing for his colleagues in the Cabinet (Executive Yuan), who were frequently under attack. The recalcitrance of the Legislative Yuan was a leading reason for Chen's lively participation in Kuomintang affairs. Nowadays he attends regular meetings of the Kuomintang, notably the Wednesday morning meeting of the Standing Committee of the Kuomintang Central Committee, but he does only what is required. (End of [redacted]'s remarks.)

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(COMMENT: That Chen is passive with respect to the Kuomintang may be of considerable significance inasmuch as the power of the Presidency lies not in the official powers but in great degree, to the circumstance that Generalissimo Chiang is also the Director-General of the Kuomintang. Many things which he cannot constitutionally do as President, he can do as head of the Party. If Chen were to succeed Chiang in the Presidency, his succession would mean little if he were not in control of the Kuomintang or, at least, very powerful in it. It is difficult to reconcile Chen's present casual attitude towards the Kuomintang with his succeeding to the power which Chiang now wields.

Mr. Richard LOW, a member of the Political Section, has prepared the following comments on the foregoing point:

"By elevating Chen from the active Presidency of the Executive Yuan to the inactive Vice-Presidency of the nation, did Chiang mean to treat Chen as his heir apparent, or a mere heir presumptive?

A first glance at Chiang's choice of Chen may give the impression that whether Chiang dies or retires Chen will eventually emerge as China's president. But a second look may give an entirely different picture.

Constitutionally, the Chinese Government is much more French than American. The powers of government rest not in the hands of the President of the Republic of China but in those of the President of the Executive Yuan. Were multi-party government established in China, the President would not amount to much; he would be little more than a figurehead. Eventually, he might become so above politics that even in his party he would be but a titular head while actual control over the party would be held by the party-nominated President of the Executive Yuan with the consent of the party-dominated Legislative Yuan. Not unlike the French President, the Chinese President might find himself with a Legislative Yuan of opposition parties and, hence, through his position in the Kuomintang that Chiang is able to exercise effective control over the government. For instance, Kuomintang members of the Legislative Yuan and Control Yuan (of whose membership upwards of 85 percent are Kuomintang members) do not express opinions or introduce proposals unless these proposals and opinions have first been cleared by the Party caucus in the Yuan. As a result of this practice, Kuomintang members in the government are subject to the supervision of the Party's Director-General, Chiang Kai-shek.

While the office of Vice-President does not necessarily bring added power, the post of Deputy Director-General, if created, would definitely give a substantial share of authority over the Kuomintang. Until Chen is accorded more honors in the Kuomintang it cannot be said that he is the heir apparent. At present, he seems to be the heir presumptive." END COMMENT

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Immediately following Chen's election as Vice-President, the English-language China Post (independent) editorially declared: "It is almost unimaginable to think that a man of his capabilities will be kept in cold storage on a reserve list as the Vice President seems to be.... We are looking forward to the day when the Premier (Chen) will work as an active Vice President, a really No. 2 man in the Government, instead of playing the part of a mere deputy to the Chief of State without a specific job to do."

The principal development so far towards giving the Vice President something to do has been the establishment of the Mainland Recovery Planning and Research Committee and Chen's appointment as its Chairman. While the Committee ballyhooed in the Kuomintang press as a super-colossal planning committee for China's reconquest and reconstruction (the committee, as it were, to end all committees of this sort) the Committee is regarded by the politically sophisticate as something in the nature of a WPA for National Assemblymen.

[redacted] confirmed reports that Chen was a reluctant chairman of the Committee, stating that Chen had thrice submitted his resignation from this appointment. Only at the President's insistence did he finally consent to serve. His aversion to the post was attributed by [redacted] largely to the unpleasantness of dealing with the National Assemblymen, who make up the great bulk of its unwieldy membership (1,883). The Assemblymen, [redacted] observed, "always make trouble" and are seemingly insatiable in their desires for increased emoluments of office and heightened prestige, especially vis-a-vis the Legislative Yuan members. Moreover, [redacted] pointed out, there are financial problems, difficulties in obtaining materials for the Committee to study and many other trials involved in heading the Committee. Most important of all, he said that as the Committee's work would be research and its findings only advisory no great things could be expected of it. It was set up, he said, to meet demands from the Assemblymen for additional income and activity and not because there was a dearth of research on problems connected with the mainland's recovery. Consequently, Chen's chairmanship of this organization cannot be regarded as an important responsibility. 30 (6)

(A separate despatch on the background and organization of the Committee is being prepared by the RO and should be read in conjunction with this despatch.)

Although Chen's face is often seen in public places and his name appears frequently in the public prints, he is, in a manner of speaking, "out of circulation". This period of relative quiescence may not, however, continue forever. While Chen no longer commands troops he does have great influence and support among leaders of the armed forces. He is considered to have the

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respect of most high-ranking military officers. Most noteworthy among these are; (1) Lt. General SHIH Chueh (), Commander of the Second Army Corps; (2) Lt. General HU Lien (), Commander of the First Army Corps; (3) General CHOU Chih-jou (), Secretary-General of the National Defense Council and former Chief of Staff; (4) General HUANG Chieh (), Commander-in-chief of the Army and (5) Lt. General LIU Yu-chang (), Commander of the defense forces at Kinmen (Quemoy). All these men and many others of the first, second, fourth and fifth classes of the Whampoa Military Academy have at one time or another been under Chen's command.

As reported in Embassy despatch No. 591 of April 14, 1954, "Premier Ch'en Ch'eng and the Men Around Him", a number of the most important civil officials in the Chinese Government have long been associated with Chen. The O. K. Yui cabinet includes many of Chen's supporters.

More recently, Chen has been showing an interest in the Chinese intelligentsia and has made a special point of receiving university professors and other learned persons. His attitude of humility has made a favorable impression on them, it is said.

In recent years there has been a general disposition to regard Chen and Chiang Ching-kuo as adversaries and as rivals for succession to President Chiang's power. It has also often been said that President Chiang wishes his mantle to fall upon his elder son and that those who would contest this succession may find themselves less able to prevent it. In Embassy despatch No. 211, November 19, 1951, a reliable informant was reported as saying in substance: "However, since the President, as the fountainhead of power and authority on Formosa, desires his eldest (sic) son to succeed him, it seems almost inevitable that General Ch'en will lose out in this contest and that, as a preliminary to his defeat, he will have to relinquish his premiership."

Whether these speculations are correct, it does seem that Chen's present eclipse would, in a negative sort of way, contribute to a relative strengthening of Chiang Ching-kuo's position. Certainly Chen is not now that strength which once he was -- and not too long ago. Possibly he is using his added leisure for the fuller recovery of his health and in preparation for an eventual come-back. Maybe it is a case of "Reculer pour mieux sauter." At present, however, his prospects do not look overly promising.

A copy of this despatch has been sent to Hong Kong.
ACTION REQUESTED: DEPARTMENT please send copy to Tokyo.

For the Ambassador:

Robert W. Rindson

First Secretary of Embassy

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